## 01454

1991/11/08

## UNCLASSIFIED

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Code: 11-8-91

RELEASED

On October 30, the U.S. House of Representatives passed "Omnibus Export Amendments Act of 1991", which stipulates, among other things, that export licensing preferences in favor of high technology export to China should be eliminated, China's access to dual-use goods and technology should be restricted, satellite of U.S. origin that is intended for launch from a launch vehicle owned by China may be exported from the United States. The Chinese Government expresses hereby its grave concern over this bill. As we all know, China-U.S. trade is based on mutual benefit. The transfer of high technology from the United States to China has played a positive role in promoting trade between the two countries and especially U.S. export to China. The Chinese side has all along taken strict measures in handling the dual-use goods and technology imported from the United States and honored its commitments with regard to end-users and ultimate purpose.

The House called for China to increase import from the United States on the one hand, politicized the trade issues and erected legislative obstacles to China-U.S. trade on the other. The ban imposed by the bill on exporting U.S. satellite for launch from a launch vehicle owned by China is in essence

United States Department of State
Office of FOI, Privacy, & Classification Review
Review Authority: MILLER, ROBERT
Date: 07/17/96
Case ID: 9402759

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tantamount to tearing up the memorandum of agreement between China and the United States regarding international trade in commercial launch services. This is absolutely unacceptable to the Chinese side. We ask the U.S. side to take effective measures to prevent the passage of the above-mentioned bill, so as to avoid its harmful consequences to China-U.S. trade and economic relations and the cooperation between the two countries on major international issues.